GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3656
ANSWERED ON:25.08.2006
DOMESTIC SAVINGS
Lagadapati Shri Rajagopal

Will the Minister of FINANCE be pleased to state:

(a) The domestic savings in the country during the last three years; year wise and State wise;

(b) The steps the Government is taking or propose to take to increase the domestic savings from the current level of 24 % to 26%;

(c) Whether the Government is contemplating to prepare a comprehensive policy with regard to domestic savings; and

(d) If so, the details thereon ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) As per the latest available information released by the Central Statistical Organisation (CSO, Gross Domestic Saving

(GDS) in the country for 2002-03 to 2004-05 is given in the following table::

Year	(Rs. Crore) (at current market prices)	As percent of GDP
2002-03	648,994	26.5
2003-04	797,512	28.9
2004-05	907,416	29.1

The CSO has also informed that they do not prepare State wise estimates.

(b) The Gross Domestic Savings as a proportion of GDP has already crossed 29 per cent. It is expected that this healthy trend in savings is likely to continue due to the better growth performance of the economy coupled with favourable demographic dynamics.

(c) & (d) There is no specific proposal at present to come out with a separate policy with regard to domestic savings. Nevertheless, changes in the rate of savings in the economy is subject to constant review by the Government.